MULTIMEDIA UNIVERSITY

STUDENT IDENTIFICATION NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 2, 2022/2023

BIT3104 INTERNATIONAL TRADE AND POLICY

(All sections / Groups)

12 JULY 2023
9.00a.m. – 11.00a.m.
(2 Hours)

INSTRUCTIONS TO STUDENT

1. This Question paper consists of 3 pages with 5 Questions only.

2. Attempt **ALL** in Section A. Attempt any **TWO** questions in Section B. All questions carry equal marks and the distribution of the marks for each question is given.

3. Please write all your answers in the Answer Booklet provided.

SECTION A : CASE STUDY

Attempt ALL questions.

PETALING JAYA: Despite various economic uncertainties, which even triggered supply chain disruptions around the world, Malaysia's leading exporters turned out victorious at the third edition of the Export Excellence Awards (EEA) Gala Night. The event recognises the excellence of exporters across different sizes – small and medium enterprises (SMEs), as well as mid-tier and large companies – sectors and geographical regions, with 34 awards being conveyed. The gala took place yesterday at the M Resort and Hotel in Kuala Lumpur, with Carlsberg as the official beer sponsor.

Aside from the gold and silver winners in five industry categories, the awards ceremony also recognised several winners with special awards. Emerging as the Exporter of the Year among the SMEs was durian exporter Duricious Sdn Bhd, while glove manufacturer Top Glove Corp Bhd topped the list among the larger companies. Additionally, for this year, two new categories were introduced, which are the Woman Exporter of the Year award, clinched by Maxvue Vision Sdn Bhd, and the Rising Star award, nabbed by Nata Food Manufacturing Sdn Bhd. Maxvue Vision manufactures and distributes contact lenses, while Nata Food Manufacturing makes nata de coco, a translucent, jelly-like food produced through the fermentation of coconut water. Top Fruits Sdn Bhd received a special award for halal products, while Kuala Lumpur Kepong Bhd received the Thriving in Adversity award.

Speaking at the gala night, Star Media Group Bhd (SMG) group chief executive officer Alex Yeow said, aside from recognising outstanding exporters, a series of roadshows was organised to equip participants with the latest trends in the ever-changing business landscape. "The quality of submissions this year showcases how Malaysian exporters are doing well to constantly adapt by embracing digitalisation and embedding sustainability across their businesses. "All this will allow them to remain competitive as part of the global supply chain," he said. Yeow also noted that, despite being in the post-pandemic era, the Thriving in Adversity award was maintained because 2022 was still a challenging year for many businesses. Meanwhile, International Trade and Industry Ministry secretary-general Datuk Seri Lokman Hakim Ali said the export trade industry has shown good resilience as well as growth.

"Our export trade industry has grown by leaps and bounds. Even through the aftermath of a pandemic, it remained resilient and continues to grow exponentially," he said. He also believes that the export trade industry is the key to transitioning Malaysia into a high-income economy. "While these exemplary industry players are able to harness technology, develop capital and human resources, and bring about a shift in economic structure, there are still ways to go," he added.

Continued...

Lokman highlighted that there must be an emphasis on achieving the global environmental, social and governance (ESG) standards in order to strengthen the local economy while navigating through the global economic headwinds. "From a trade perspective, we are witnessing more and more export destinations adopting sustainability practices, with a specific emphasis on ESG compliance. "Our exporters need to understand and appreciate this global expectation and start looking at global standards to benchmark and regulate their operations. "To this end, Malaysia External Trade Development Corporation (Matrade) has been actively encouraging exporters to embrace sustainability policies and practices through the Sustainability Action Values for Exporters (SAVE) initiative," he added.

SAVE, which was launched as a corporate shared values programme by Matrade in October 2019, is aimed at encouraging sustainable practices based on the United Nations Sustainable Development Goals among Malaysian companies in the export business. "This is part of our efforts to future-proof Malaysian exporters and to ensure the companies remain relevant, attractive and competitive in the global arena. Beyond that, this also transforms our business ecosystem into one that is more vibrant, resilient and equitable," said Lokman. The event was also attended by SMG chairman Tan Sri Chor Chee Heung, Standard Chartered Bank Malaysia chairman Datuk Yvonne Chia, Matrade CEO Datuk Mohd Mustafa Abdul Aziz, Standard Chartered Bank Malaysia CEO Mak Joon Nien, Standard Chartered Saadiq CEO Mohd Suhaimi Abd Hamid, PKT Logistics chief marketing officer Kuan Eu Jin, SMG chief business officer Lydia Wang, as well as other heads of companies and corporate guests. Created to celebrate "the best of the best" in the export world, EEA honours the excellence of local businesses in export and targets to build a community of Malaysian exporters that support one another. EEA is organised by SMG in partnership with Standard Chartered Malaysia, with PKT Logistics Group as a co-sponsor and Matrade as a patron.

(Source : The Star 2023, Malaysia's top exporters honoured)

QUESTION 1

Based on the article, some of Malaysia's export-oriented organisations have done very well in the international trade. Explain **FIVE (5)** ways export-oriented can stay competitive in international trade.

(Total: 25 marks)

QUESTION 2

According to the article, exporters are encouraged to understand and appreciate the global expectations and standards. Describe with examples, **FIVE (5)** benefits of complying to these standards.

(Total: 25 marks)

Continued...

SECTION B

Choose TWO (2) questions.

QUESTION 3

Petronas had to declare force majeure on gas supply to one of its liquefaction terminals, Malaysia LNG Dua, due to a pipeline leak caused by soil movement at the Sabah-Sarawak Gas Pipeline on Sept. 21 (The Star 2022). The soil movement is an example of a natural disaster that affected the performance of the contractors involved in the project. However, there are cases in which, the parties involved are not able to use the force majeure clause. Identify **FIVE (5)** situations where the force majeure clause cannot be applied.

(Total: 25 marks)

QUESTION 4

China leads the world in counterfeit and pirated products (The Star 2023). These goods have infiltrated the international trade supply chains. Suggest **FIVE (5)** ways to manage this situation.

(Total: 25 marks)

QUESTION 5

There are many illegal wildlife trafficking activities happening in the south east Asian region. Recommend **FIVE (5)** ways the Malaysian government can manage this situation.

(Total: 25 marks)

End of Paper